



Unclaimed Property Division Quarterly Newsletter for Holders

Communicating with Property Owners

Winter is a busy season for the State Controller's Unclaimed Property Division (UPD). The team mails thousands of [pre-escheat notices](#) encouraging potential property owners to claim property from holders before it is transferred to the state. Both holders and UPD staff experience an increase in contacts from owners during this time. Watch the [Pre-Escheat Notice Tutorial](#) for more information about the process.

In the period between filing a Holder Notice Report and filing a Holder Remit Report, a holder is still in possession of the property; therefore, the UPD staff are only able to provide limited assistance to these potential property owners. To best serve owners, consider the following:

- Have well-trained staff promptly answer owner inquiries.
- If using a recorded message or automated email, provide clear instructions and allow people to leave a message, then regularly check for messages.
- Request proof of owner association to the property and validate the documents provided.
- If a rightful owner contacts the holder, the dormancy period resets. However, owners of dormant safe deposit boxes must make other arrangements for the escheat period to stop (*California Code of Civil Procedure* [\(CCP\) section 1514 \(c\)\(5\)](#)).

If you believe a person does not meet the standards to demonstrate ownership, then send the property to the State Controller. As always, once UPD receives the property, a person may file a claim form along with proof of ownership to retrieve the property.



A Note from the Controller

In an effort to return more property to owners who may not know it exists, I sponsored [Assembly Bill 355 \(Chapter 297, Statutes of 2015\)](#). This California law authorizes the State Controller to mail a separate notice to an owner of a United States savings bond inside a safe deposit box if the name on the item is different from the name of the reported box owner.

As a result, our team added tens of thousands of new properties to our [online database](#). More than 8,900 bonds already have been reunited with their owners.

With your help, every day we are returning property to grateful people. Thank you for your continued dedication to transparency and consumer rights.

Sincerely,
Betty

Ask an Analyst

Do you have a question about reporting unclaimed property? We want to hear from you! Each quarter, the Outreach and Compliance Unit will select a holder question to address in our newsletter. Submit questions to UPDHolderOutreach@sco.ca.gov.

Q: What should we do if we discover additional dormant property after we filed our Holder Notice Report?

A: Report additional dormant properties on a separate Supplemental Notice Report.

First, perform holder due diligence, if required. Next, complete a Universal Holder Face Sheet ([UFS-1](#)) and check "Supplemental Notice Report" on the form. Finally, mail the UFS-1 with the property owner details list to the State Controller's Office.

After the report is loaded and reconciled, UPD staff will mail a Holder Remit Reminder Letter (14F) specific to the Supplemental Notice Report. Follow instructions on the 14F to file the corresponding [Holder Remit Report](#).

Read more about filing a Supplemental Notice Report on page 23 of California's [Holder Handbook](#).

Holder Due Diligence

If you are planning to submit a Holder Notice Report before November 1, 2018, holder due diligence should generally be performed from November 1, 2017, through April 30, 2018. [CCP section 1513.5\(a\)\(1\)](#) allows banking or financial institutions to use an alternative timeframe for issuing notices.

Holders may provide additional notice any time between the date of last activity and the date the property is transferred to the state. A holder may charge a fee for sending the required due diligence letters under specific conditions. Refer to *Unclaimed Property Deductions and Withholdings* in the [Spring 2015 newsletter](#).

The UPD Reporting team may reject an incomplete or inaccurate unclaimed property report. When this happens, a team member will contact the individual listed on the UFS-1. It is important to promptly respond to UPD, as untimely action may result in accrued interest or penalties. Remember to update your contact information if it changes after submitting a report.

UCPReporting@sco.ca.gov | (916) 464-6284

Upcoming Important Dates

Before May 1

Life Insurance Holder Notice Report due

October 31, 2017 - April 30, 2018

Perform holder due diligence for the 2018 report year

We're Here to Help!

(916) 464-6088 | UPDHolderOutreach@sco.ca.gov

The Outreach and Compliance Unit provides holder education and resources through one-on-one assistance, webinars, and speaking engagements. Visit the [events page](#) for up-to-date information or contact us for participation in your next event.

www.sco.ca.gov



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